

RULE

Department of Health and Hospitals
Office of the Undersecretary
Bureau of Health Services Financing

Pharmacy Program)Maximum Allowable Overhead Cost



The Department of Health and Hospitals, Office of the Undersecretary, Bureau of Health Services Financing is proposing to adopt the following rule as authorized by R.S. 46:153 and pursuant to Title XIX of the Social Security Act and as directed by the 1995-96 General Appropriation Act, which states: "The Secretary shall implement reductions in the Medicaid program and as necessary to control expenditures to the level approved in this schedule. The Secretary is hereby directed to utilize various cost containment measures to accomplish these reductions, including but not limited to pre-certification, pre-admission screening, utilization review, and other measures as allowed by federal law". This rule is in accordance with the provision of the Administrative Procedure Act, R.S. 49:950 et seq.

Rule

The Department of Health and Hospitals, Office of the Undersecretary, Bureau of Health Services Financing adopts the following provisions applicable to the maximum overhead cost under the Pharmacy Program.

Maximum Allowable Overhead Cost

1. For fiscal year 1995-96, the maximum allowable overhead cost will remain for a one-year period at the level established for fiscal year 1994-95. This maximum allowable overhead cost was established by applying the 1993 indices to appropriate cost categories for a one-year period.
2. No inflation indices or any interim adjustments will be applied to the maximum allowable overhead costs for the time period, July 1, 1995 through June 30, 1996.

Bobby P. Jindal
Secretary

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